

REMARKS

Claims 124-135 are presently pending in this application.

1. CLAIM OBJECTIONS

Claims 124, 128 and 132 were objected to as presenting “a confusing use of semi-colons in the first limitation and likewise for claim 132 in the second limitation” and it was stated that “[a]s written the claims are not clear whether there are 6 or 11 limitations for example” and correction was requested. Applicants respectfully request reconsideration and withdrawal of this objection in view of the claim amendments herein, which are submitted to overcome this stated objection.

2. CLAIM REJECTIONS - 35 USC § 112, 1ST PARAGRAPH

Claims 124-134 were rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The Examiner stated that “[t]he claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention” and that, in particular, “[t]he six factors of the Restatement on Torts are not noted in the specification” and “[t]he specification contains no mention of a documentation tool.”

In determining whether a written description issue exists, the fundamental factual inquiry is whether the specification conveys with reasonably clarity to those skilled in the art that, as of the filing date sought, Applicants were in possession of the invention as now claimed. *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563-64 (Fed. Cir. 1991). It is respectfully submitted that the specification conveys with at least reasonable clarity to those skilled in the art that, as of the filing date sought, applicant was in possession of the invention recited in claims 124-134.

By way of example, page 3 of Applicant’s specification states in part:

In the United States, Section 757 of the First Restatement of Torts set forth six factors for evaluating the existence of a trade secret to assist the courts in adjudicating trade secret cases

Likewise, page 20 of Applicant's specification states in part:

FIG. 4 provides a detailed flow diagram illustrating the treatment of the six factors of a trade secret from Section 757 of the First Restatement of Torts.

Given these disclosures, even apart from the replete mention of the six factors set forth in Section 757 of the First Restatement on Torts, it is not understood how the Examiner can claim that "[t]he six factors of the Restatement on Torts are not noted in the specification".

Further, as to the Examiner's allegation that "[t]he specification contains no mention of a documentation tool," the Examiner's attention is kindly directed to, for example, the "Functional Specification for the Trade Secret Examiner Trade Secret **Documentation Tool**" (emphasis added) that was submitted as an Appendix to the application and which provides a functional specification for the Trade Secret Examiner Trade Secret Documentation Tool.

In view of at least the above, reconsideration and withdrawal of this rejection is requested.

Still further, "the examiner has the initial burden, after a thorough reading and evaluation of the content of the application, of presenting evidence or reasons why a person skilled in the art would not recognize that the written description of the invention provides support for the claims." (see, e.g., MPEP § 2163 and MPEP § 2163.04)(emphasis added). The Examiner has not discharged this burden, as the Examiner has not presented evidence or reasons why a person skilled in the art would not recognize that the written description of the invention provides support for the claims. Accordingly, the Examiner's statement of rejection fails to set forth a *prima facie* case supporting the conclusory allegation of lack of written description. See, e.g., *Purdue Pharma L.P. v. Faulding Inc.*, 230 F.3d 1320, 1323 (Fed. Cir. 2000)(the written description "inquiry is a factual one and must be assessed on a case-by-case basis"). For this reason as well, this rejection is respectfully traversed and reconsideration and withdrawal of this rejection is requested at least upon this ground.

3. CLAIM REJECTIONS - 35 USC § 112, 2ND PARAGRAPH

Claims 124-127 were rejected under 35 U.S.C. 112, second paragraph, as being indefinite. The Examiner stated that he “is unsure whether documentation tool refers to Microsoft word or a kind of computer for example” and further stated that “[a]s a result, this term will be interpreted as)” (page 3 of Office Action).

Definiteness of claim language must be analyzed in light of the content of the application disclosure, the teachings of the prior art, and the claim interpretation that would be given by one of ordinary skill in the art at the time the invention was made. *See, e.g., In re Moore*, 439 F.2d 1232, 1235; 169 USPQ 236, 238 (CCPA 1971). The fundamental factual inquiry is whether the specification conveys with reasonably clarity to those skilled in the art that, as of the filing date sought, applicant was in possession of the invention as now claimed. *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563-64 (Fed. Cir. 1991).

An applicant shows possession of the claimed invention by describing the claimed invention with all of its limitations using such descriptive means as words, structures, figures, diagrams, and formulas that fully set forth the claimed invention. *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572 (Fed. Cir. 1997). The subject matter of the claim need not be described literally (*i.e.*, using the same terms or *in haec verba*) in order for the disclosure to satisfy the description requirement (*see, e.g.*, MPEP § 2163.02).

It is noted that the review as to written description is to be conducted from the standpoint of one of skill in the art at the time the application was filed (*see, e.g., Wang Labs. v. Toshiba Corp.*, 993 F.2d 858, 865 (Fed. Cir. 1993)) and should include a determination of the field of the invention and the level of skill and knowledge in the art, there being an inverse correlation between the level of skill and knowledge in the art and the specificity of disclosure necessary to satisfy the written description requirement. *See, e.g., Hybritech, Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1379-80 (Fed. Cir. 1986).

In view of the Examiner’s allegation that “[t]he specification contains no mention of a documentation tool,” wherein, in fact, the application included a detailed, 49-page Appendix describing the documentation tool (*i.e.*, the “Functional Specification for the Trade Secret Examiner Trade Secret **Documentation Tool**”)(emphasis added), it is manifestly clear that this

rejection is improper as the Examiner has not analyzed the definiteness of the claim language “in light of the content of the application disclosure”.

Reconsideration and withdrawal of this rejection is requested.

4. CLAIM REJECTIONS - 35 USC § 102 AND 35 USC § 103

Claims 124-134 were rejected under 35 U.S.C. 102(e) as anticipated by Barney et al. (US 6,556,992 B1)(“Barney”).

Claims 124-134 were rejected under 35 U.S.C. 103(a) as obvious over Barney.

With respect to claims 124 and 128, Barney was alleged to disclose a “method for scoring, with a trade secret documentation tool, a potential trade secret, the method comprising: presenting the six factors of a trade secret from Section 757 of the Restatement (First) of Torts to an evaluator via a trade secret documentation tool using a user interface device connected to an accounting digital computer, the six factors including (1) the extent to which the information is known outside of his business; (2) the extent to which it is known by employees and others involved in his business; (3) the extent of measures taken by him to guard the secrecy of the information; (4) the value of the information to him and to his competitors; (5) the amount of effort or money expended by him in developing the information and (6) the ease or difficulty with which the information could be properly acquired or duplicated by others” (Office Action, page 4, *citing* Barney, col. 12).

Barney, col. 12, states in full:

case opinions, patent licenses, marking of patented products, and the like. Indirect patent metrics may also include derived measures or measurement components such as frequency or infrequency of certain word usage relative to the general patent population or relative to a defined sub-population of patents in the same general field.

For example, each word and/or word phrase in a patent claim (and/or patent specification) could be assigned a point value according to its frequency of use in a randomly selected population of similar patents in the same general field. Statistically common words or word phrases such as simple articles, pronouns and the like could receive relatively low point values. Uncommon words or word phrases could receive relatively high point values. The total point score for each claim could then be taken as an indication of its relative breadth or narrowness

based on the total number and statistical prevalence of each of the words contained in the claim. Optionally, different amounts of points can be accorded to claim words or word phrases based on whether or not they also appear in the patent specification. Multiple claims and/or patents could also be combined into a single analysis, if desired.

In accordance with one preferred embodiment of the invention relative ratings or rankings are generated using a database of selected patent information by identifying and comparing various relevant characteristics or metrics of individual patents contained in the database. In one example, a first population of patents having a known or assumed relatively high intrinsic value (e.g. successfully litigated patents) are compared to a second population of patents having a known or assumed relatively low intrinsic value (e.g. unsuccessfully litigated patents). Based on the comparison, certain characteristics are identified as statistically more prevalent or more pronounced in one population group or the other to a significant degree.

These statistical comparisons are then used to construct and optimize a computer model or computer algorithm comprising a series of operative rules and/or mathematical equations. The algorithm is used to predict and/or provide statistically determined probabilities of a desired value or quality being present and/or of a future event occurring, given the identified characteristics of an individual identified patent or group of patents. The algorithm may comprise a simple scoring and weighting system which assigns scores and relative weightings to individual identified characteristics of a patent or group of patents determined (or assumed) to have statistical significance. For example, positive scores could generally be applied to those patent characteristics determined or believed to have desirable influence and negative scores could be applied to those patent characteristics determined or assumed to have undesirable influence on the particular quality or event of interest.

Once the basic algorithm is constructed, a high-speed computer is preferably used to repeatedly test the algorithm against one or more known patent populations (e.g. patents declared to be valid/invalid or infringed/non-infringed). During and/or following each such test the algorithm is refined (preferably automatically) by iteratively adjusting the scorings and/or weightings assigned until the predictive accuracy of the algorithm is optimized. Adjustments can be made automatically in an orderly convergence progression, and/or they can be made randomly or semi-randomly. The latter method is particularly preferred where there are any non-linearities in the equations or rules

governing the algorithm. Algorithm results are preferably reported as statistical probabilities of a desired quality being present, or a future event occurring (e.g., patent being litigated, abandoned,

Accordingly, Barney does not disclose or suggest, as alleged, a “method for scoring, with a trade secret documentation tool, a potential trade secret, the method comprising: presenting the six factors of a trade secret from Section 757 of the Restatement (First) of Torts to an evaluator via a trade secret documentation tool using a user interface device connected to an accounting digital computer, the six factors including (1) the extent to which the information is known outside of his business; (2) the extent to which it is known by employees and others involved in his business; (3) the extent of measures taken by him to guard the secrecy of the information; (4) the value of the information to him and to his competitors; (5) the amount of effort or money expended by him in developing the information and (6) the ease or difficulty with which the information could be properly acquired or duplicated by others”.

The Examiner, in an effort to support the failure of Barney to disclose the aforementioned six factors of a trade secret from Section 757 of the Restatement (First) of Torts, states that “the data identifying the six factors of a trade secret from Section 757 of the Restatement (First) of Torts is non-functional descriptive data” (Office Action, page 6)(emphasis in original). Continuing on, the Examiner states that “[w]hen presented with a claim comprising descriptive material, an Examiner must determine whether the claimed nonfunctional descriptive material should be given patentable weight” and notes that the PTO must consider all claim limitations when determining patentability of an invention over the prior art and that the PTO may not disregard claim limitations comprised of printed matter. The Examiner states that patentable weight need not be given to “descriptive material” absent a new and nonobvious functional relationship between the descriptive material and the subset. Thus concludes the Examiner, “when the prior art describes all the claimed structural and functional relationships between the descriptive material and the subset, but the prior art describes a different descriptive material than the claim, then the descriptive material is nonfunctional and will not be given any patentable weight.” The Examiner then asserts “that the data identifying the six factors of a trade secret from Section 757 of the Restatement (First) of Torts adds little, if anything, to the claimed acts or

steps and thus do not serve as limitations on the claims to distinguish over the prior art. MPEP 2106.1 V b 1(b) indicates that ‘nonfunctional descriptive material’ is material ‘that cannot exhibit any functional interrelationship with the way the steps are performed’ (Office Action, page 6)(emphasis in original). The Examiner concludes that “[a]ny differences related merely to the meaning and information conveyed through data, which does not explicitly alter or impact the steps is nonfunctional descriptive data.”

According to MPEP § 2106.01, Computer-Related Nonstatutory Subject Matter [R-6], descriptive material can be characterized as either “functional descriptive material” or “nonfunctional descriptive material.” In this context, “functional descriptive material” consists of data structures and computer programs which impart functionality when employed as a computer component. (The definition of “data structure” is “a physical or logical relationship among data elements, designed to support specific data manipulation functions.” The New IEEE Standard Dictionary of Electrical and Electronics Terms 308 (5th ed. 1993).) “Nonfunctional descriptive material” includes but is not limited to music, literary works, and a compilation or mere arrangement of data. When functional descriptive material is recorded on some computer-readable medium, it becomes structurally and functionally interrelated to the medium and will be statutory in most cases since use of technology permits the function of the descriptive material to be realized. See *In re Lowry*, 32 F.3d 1579, 1583-84 (Fed. Cir. 1994); *In re Warmerdam*, 33 F.3d 1354, 1360-61 (Fed. Cir. 1994).

Even the August 2009 “INTERIM EXAMINATION INSTRUCTIONS FOR EVALUATING SUBJECT MATTER ELIGIBILITY UNDER 35 U.S.C. § 101,” set forth that “[d]escriptive material should be evaluated to determine if the material has a functional relationship to the underlying structure in order to evaluate whether it creates a patentable distinction over the prior art or whether it is merely non-functional descriptive material that creates no patentable distinction,” citing by way of example that “printed matter on an object or mere data (e.g., music) stored in a memory is typically non-functional descriptive material that would not create a patentable distinction over the prior art.” The data in question in the claims is not “mere data” such as musical notes and does not attempt to claim the mere arrangement of words or data, which would arguably invoke the printed matter rejection. Instead, the claim

recitations are specifically directed to the functionality that is provided by the computer program. For example, the method for scoring information relating to a potential trade secret in an auditable trade secret accounting system according to claim 124 includes executing instructions relating to the auditable trade secret accounting system in a digital processing device, to determine at least one trade secret metric responsive to receipt of information comprising the noted first rating through sixth rating and further comprises not only the input of or receipt of such data, but also “associating the information corresponding to the first through sixth ratings with a trade secret identifier,” “storing the received first through sixth ratings in association with the trade secret identifier in a data storage device associated with the auditable trade secret accounting system using the digital processing device,” “calculating, using the trade secret documentation tool and the digital processing device, a trade secret defendability metric from the received first through sixth ratings,” and “storing the calculated trade secret defendability metric in association with the trade secret identifier in the auditable trade secret accounting system using the data storage device associated with the digital processing device.” Thus, the data in question cannot properly be dismissed or diminished by an allegation that the data is “non-functional” subject matter. Reconsideration is requested.

Barney was further alleged to disclose, for example, “receiving, via the trade secret documentation tool using a user interface device connected to the accounting digital computer, a respective rating of the presented ratings from the evaluator as to the extent that the potential trade secret meets each of the six factors” (Office Action, page 5, *citing* Barney, col. 28).

Barney, col. 28, states in full:

levels may also be calculated and reported for each of the reported value ranges 770. Alternatively, several different value ranges can be calculated according to different desired confidence levels.

Internet Applications

The present invention is ideally suited for Internet-based applications. In one preferred embodiment, the invention would be made available to Internet users on the World Wide Web (“the web”), or a similar public network, and would be accessible through a web page. Various services, embodying different aspects of the present invention, could

be made available to users on a subscription or a pay-per-use basis.

In an Internet-based application, users would preferably have access to automated patent ratings, consolidated patent ratings (i.e. grouped by technology, business sector, industry, etc.), and a host of ancillary information regarding particular patents or groups of patents. Ancillary information may include, for example, full-text searchable patent files, patent images, bibliographic data, ownership records, maintenance records, and the like. A user would preferably be able to enter or "click" on the number of a patent he or she was interested in and obtain, in very short order (e.g., in less than about 1-5 minutes), a comprehensive rating report as described above. Preferably, the user would be able to control most, if not all, of the variables in the rating calculation. Thus, for instance, he or she could request that the patent be rated only against other patents in the same art group, or in a specific industry, or in a particular field of use. He or she could request a report on how the patent compares to all patents that have been litigated in the past 5 years, or that have been held invalid by U.S. courts. In this manner, reports could be narrowly tailored to the specific interests and concerns of the user. This is beneficial--though not critical--because different types of users, e.g., lawyers, businessmen, manufacturers, investors, etc., will have slightly different appraisal needs.

In another preferred embodiment, it is not necessary that a user actually know the patent number or title of the patent he or she wishes to have rated. Instead, this preferred embodiment would include a series of correlation tables which allow the user to retrieve patent numbers based on ownership, field of use, or even specific commercial products. Thus, it would be possible for a user to request reports on all patents that have been issued or assigned to a particular company in the past 5 years.

Ideally, it would also be possible for a user to request reports on all patents associated with a specific commercial product. Such product patent information could advantageously be collected and stored on a centralized, searchable computer network database or the like in order to allow users to search and obtain patent information on particular commercial products. Relevant patent marking data could be gathered either through private voluntary reporting by manufacturers of such products and/or it may be gathered through other available means, such as automated web crawlers, third-party reporting or inputting and the like. Patent marking data (e.g., the presence or absence of a patent notice on a corresponding commercial product) and/or other

relevant data (e.g., sales volume, sales growth, profits, etc.) could provide additional objective metric(s) by which to rate relevant patents in accordance with the invention. Presumably, patents that are being actively commercialized are more valuable than "paper patents" for which there is no corresponding commercial product. Optionally, the patent marking database can also include the necessary URL address information and/or the like which will allow users to

This passage does not disclose or suggest, as alleged, "receiving, via the trade secret documentation tool using a user interface device connected to the accounting digital computer, a respective rating of the presented ratings from the evaluator as to the extent that the potential trade secret meets each of the six factors". Not only is there no disclosure or suggestion therein about a trade secret documentation tool, trade secret, or six factors, but there is no disclosure of or suggestion of receiving a respective rating of the presented ratings from the evaluator as to the extent that the potential trade secret meets each of the six factors. Instead, in Barney, the user is passively (more or less) retrieving an analysis of a patent ("users would preferably have access to automated patent ratings, consolidated patent ratings (i.e. grouped by technology, business sector, industry, etc.), and a host of ancillary information regarding particular patents or groups of patents") and is not inputting "ratings" of any sort into the system. Instead, col. 28 of Barney merely sets forth that the user may input appropriate search parameters to more appropriately limit the results of the desired search. Although col. 28 of Barney does note a "rating calculation," this is contextually delimited by user requests "that the patent be rated only against other patents in the same art group, or in a specific industry, or in a particular field of use" or "how the patent compares to all patents that have been litigated in the past 5 years, or that have been held invalid by U.S. courts." This does not disclose, nor is it suggestive of, receiving ratings of the presented ratings from the evaluator as to the extent that the potential trade secret meets each of the six factors.

As to the 35 U.S.C. § 102 rejection of claims 124-134, the factual determination of lack of novelty under 35 U.S.C. §102 requires the identical disclosure in a single reference of each element of a claimed invention such that the identically claimed invention is placed into the recognized possession of one having ordinary skill in the art. *Helifix Ltd. v. Blok-Lok, Ltd*, 208 F.3d 1339 (Fed. Cir. 2000). The Examiner has not discharged this burden as to any of claims

124-134 and reconsideration and withdrawal of this rejection is requested at least in view of the above remarks.

As to the 35 U.S.C. § 103 rejection of claims 124-134, the Examiner asserts that “[i]t would have been obvious to one of ordinary skill in the art at the time of the invention to apply the teachings of Barney to the current application claims 124-134 because Barney notes that the teachings applied to patents is applicable to trade secrets.” The Examiner further asserts that “the use of a report in Barney is similar to the expected certificate in the current application” in that “[b]oth present a document to be used to show final results of rating/ranking study.”

First, “in order to render an invention unpatentable for obviousness, the prior art must enable a person of ordinary skill to make and use the invention.” *In re Kumar*, 418 F.3d 1361, 1368 (Fed. Cir. 2005)(citing *Beckman Instruments, Inc. v. LKB Produkter AB*, 892 F.2d 1547, 1551 (Fed. Cir. 1989)(“In order to render a claimed apparatus or method obvious, the prior art must enable one skilled in the art to make and use the apparatus or method.”)); *see also In re Application of Payne*, 606 F.2d 303, 314 (C.C.P.A. 1979)(“References relied upon to support a rejection under 35 USC 103 must provide an enabling disclosure, i.e., they must place the claimed invention in the possession of the public.”); *Motorola, Inc. v. Interdigital Tech. Corp.*, 121 F.3d 1461, 1471 (Fed. Cir. 1997). In the present case, despite the singular, passing mention of “trade secrets” in col. 30, line 31, Barney does not disclose the presently claimed invention in a manner that would enable a person of ordinary skill to make and use the present invention. In fact, the process of Barney does not appear to be amenable in any meaningful way to trade secrets, despite its mention in passing in col. 30 that “the techniques and concepts disclosed herein may have equal applicability to rating other types of intellectual property assets, such as trademarks, copyrights, trade secrets, domain names, web sites and the like.” Barney’s disclosed techniques and concepts relate to a computer-automated method for rating or ranking patents or other intangible assets providing “a statistically-based patent rating method and system whereby relative ratings or rankings are generated using a database of patent information by identifying and comparing various characteristics of each individual patent to a statistically determined distribution of the same characteristics within a given patent population.” (Abstract). Barney discloses that “the invention provides a statistically-based patent rating method and system

whereby relative ratings or rankings are generated using a database of patent information by identifying and comparing various characteristics of each individual patent to a statistically determined distribution of the same characteristics within a given patent population” and that, for example, “a first population of patents having a known relatively high intrinsic value or quality (e.g. successfully litigated patents) is compared to a second population of patents having a known relatively low intrinsic value or quality (e.g. unsuccessfully litigated patents).” (*see, e.g.*, col. 6, lines 3-23). Thus, Barney discloses a statistical comparison of an unknown population of data to a known population of data to determine the statistical deviation of certain characteristics in the unknown population of data relative to the known population of data so as to supposedly “accurately predict and/or provide statistically-accurate probabilities of a desired value or quality being present or a future event occurring” *Id.* (*see also* FIG. 1). Despite Barneys’ disclosure of an algorithm comprising “a simple scoring and weighting system,” this system merely extracts predetermined metrics from a document (e.g., the number of words in a claim, the use of a particular claim term, etc.) and performs an automated variance analyses of this extracted data, such automated extraction being performed in less than about 5-10 seconds per patent (*see, e.g.*, col. 19, line 45 to col. 20, line 46; col. 25, lines 8-51). In contrast, as noted by Applicants, the lack of structure in the documentation of trade secrets is itself a problem in many companies and companies often have little documentation in place to prove the existence of trade secrets developed over long periods at considerable expense. Further to Barney’s failure to disclose or suggest any aspect of “trade secrets” sufficient to “enable one skilled in the art to make and use the apparatus or method,” the disclosed system of Barney is incapable of dealing with analyses of any data outside of its narrowly defined automation of data extraction from standardized documents.

To reach a conclusion of obviousness under § 103, the Examiner bears the burden of producing factual basis supported by teaching in a prior art reference or shown to be common knowledge of unquestionable demonstration. *Ex parte Hellmig* (Appeal 2008-0395, Application 10/475,887, Technology Center 2600, Decided: July 18, 2008). It is the Examiner’s burden to establish *prima facie* obviousness. *See, e.g., Ex parte Ferry et al.* (Appeal 2007-2812, Application 10/337,236, Technology Center 3700, Decided: August 10, 2007); *In re Rijckaert*, 9

F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). Obviousness requires a teaching that all elements of the claimed invention are found in the prior art and “a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does” *KSR Int’l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1741, 82 USPQ2d 1385, 1396 (2007). Broad conclusory statements, standing alone, are not “evidence”. *McElmurry v. Arkansas Power & Light Co.*, 995 F.2d 1576, 1578 (Fed. Cir. 1993).

Reconsideration and withdrawal of the pending objection and rejections is requested in view of at least the above remarks. The Applicant respectfully submits that the claims are in a condition for allowance and action toward that end is earnestly solicited.

It is believed that, further to the extension of time fee, that no additional fees are presently due. However, should any fees be required (except for payment of the issue fee), the Commissioner is authorized to deduct the fees from the Nixon Peabody Deposit Account No. 50-4181 (053633-000002USPT).

Respectfully submitted,

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/William D. PEGG, Reg. No. 42,988/

William D. Pegg
Reg. No. 42,988
Nixon Peabody LLP
300 S. Riverside Plaza, 16th Floor
Chicago, Illinois 60606
(312) 425-3900
Attorney for Applicants